

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

HB 322 – SB 521

March 10, 2021

SUMMARY OF BILL: Increases the current discount available to veterans, who are Tennessee residents and have any service-connected disability that is determined by the Veterans Administration to constitute a 100 percent permanent total disability, from 50 percent to 100 percent, applicable to camping fees, and in addition, establishes that such discount applies to overnight lodging fees at state parks as well. Such discount is only applicable to a maximum of 3 overnight stays, each of which cannot exceed 3 days in duration. Such discount is subject to the availability of camping or overnight lodging accommodations. Establishes that such maximum duration is limited to each calendar year. In addition, creates a new year-round discount for veterans with any service-connected disability equal to no less than 50 percent of camping fees at state parks. Such disability must constitute a 100 percent permanent total disability, as confirmed by the Veterans Administration.

ESTIMATED FISCAL IMPACT:

On February 25, 2021, a fiscal note for this legislation was issued estimating a fiscal impact as follows:

*Decrease State Revenue - \$10,100/FY21-22 and Subsequent Years/
State Parks Fund*

Increase State Expenditures - \$52,000/FY21-22/General Fund

After further consideration, it was determined the estimated fiscal impact was in error. As a result, the estimated fiscal impact has been corrected as follows:

(CORRECTED)

**Decrease State Revenue - \$62,800/FY21-22 and Subsequent Years/
State Parks Fund**

Increase State Expenditures - \$52,000/FY21-22/General Fund

Corrected Assumptions:

- Currently, the Tennessee State Parks offer a discount for camping of at least 50 percent to veterans with a service-connected disability that is determined by the Veterans Administration to constitute a 100 percent permanent total disability.

- The number of such veterans eligible to receive a discount in Tennessee number around 21,355.
- Based on information provided by the Department of Environment and Conservation (TDEC), the total camping discounts provided to veterans with 100 percent service-connected disabilities was equal to \$10,052 in FY19-20.
- This legislation will double the current total camping discounts.
- A recurring decrease in state revenue to the State Parks Fund of \$10,052, beginning in FY21-22.
- This legislation also will authorize and incentivize additional veterans to utilize the 100 percent discount for overnight lodging fees.
- Lodging sites include 372 cabins and 6 lodges.
- Based on information from the TDEC, the average fees for either a campsite, cabin, or lodge is \$83.33 per night.
- It is assumed that beginning in FY21-22, approximately one percent, or approximately 211 (21,135 x 1%), of such veterans will utilize this new, 100 percent discount.
- An average of three nights stays per year per veteran.
- A recurring decrease in state revenue to the State Parks Fund of \$52,748, beginning in FY21-22 and subsequent years (211 veterans x 3 overnight stays x \$83.33).
- A total recurring decrease in state revenue to the State Parks Fund of \$62,800 (\$10,052 + \$52,748), beginning in FY21-22.
- Based on information provided by the TDEC, it will require updates to databases to ensure that veterans are not using the 100 percent discount more than is authorized by this legislation.
- Based on information provided by the vendor to the TDEC, updates to computer systems will take 160 hours to complete, at \$250 per hour.
- A one-time increase in state expenditures to the General Fund of \$40,000.
- Additionally, additional enhancements will cost approximately \$12,000.
- In total, a one-time increase in state expenditures of \$52,000 from the General Fund (\$40,000 + \$12,000).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Bojan Savic, Interim Executive Director

/jb